

Change Record Detail With Description Department of Natural Resources

Scenario: FY2010 Supplemental (7955)
Component: Gas Pipeline Implementation (2947)
RDU: Resource Development (136)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
FY2010 Supplemental												
Increased Gas Pipeline Implementation Expenses												
	Suppl	537.6	117.6	90.0	315.0	15.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		537.6										
The unanticipated agreement between TransCanada Corporation and ExxonMobil to work together to progress the Alaska Gasline Inducement Act (AGIA) Gas Pipeline Project has accelerated the pace of the project.												
There is currently not enough funding in the FY10 budget to fully fund the four positions in the office.												
With the faster pace of the project, due diligence contractual requirements have increased, meaning more travel. There may be increased need to represent the state's interest in Washington, D.C., as well as other locations.												
Competitive Benchmark Study - Competitive benchmarking will allow the state to better understand market and supply changes that have occurred since the AGIA finding that might affect the economic viability of the gasline. This study will provide information regarding the effect of Lower 48 and Canadian non-conventional gas (shale gas) on the Alaska Natural Gas Pipeline. This will help better prepare the state for future discussions of the market price for gas and potential further commercial negotiations on royalty or tax terms. This study needs to be done to assure all parties of the viability of Alaska Gas in the changing marketplace.												
There is increased need for additional field work and other small contractual studies needed to ensure the state has the most up-to date and accurate data.												
Component Totals		537.6	117.6	90.0	315.0	15.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description Department of Natural Resources

Scenario: FY2010 Supplemental (7955)
Component: Large Project Permitting (2733)
RDU: Resource Development (136)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
OCS Lease Planning Mineral Management Service Agency Agreement												
1004 Gen Fund	Suppl	85.0	15.0	5.0	65.0	0.0	0.0	0.0	0.0	0	0	0
Over the next six years, the U.S. Minerals Management Service (MMS) will need to complete eight Environmental Impact Statements (EIS) that will address the impacts of proposed outer continental shelf (OCS) oil and gas leasing and exploration activities in Alaska's offshore waters. The EIS's will address OCS leasing, exploration and development activities in the Chukchi and Beaufort Seas, Cook Inlet, and the North Aleutian Basin. This budget request will allow the state to be a participant in this process. Cooperating agency status will allow the State to partner with MMS in developing these EIS's, thereby ensuring that the concerns of Alaskans are better addressed. State agency expertise will be critical in assisting the MMS to ensure that these EIS's are completed in a timely and thorough manner.												
This budget request will enable a DNR Project Coordinator and state agency review team to participate in identifying and resolving significant environmental issues; assist in preparing portions of each EIS document; provide MMS an inventory of relevant information (e.g., GIS data, hardcopy and electronic datasets, maps, reports, etc.) that would be useful in identification and analysis of environmental data; provide data and rationale for analysis and assessment of alternatives; and participate with pertinent U.S. federal agencies (e.g., Corps, U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service, and National Marine Fisheries Service) in review of and comment on National Environmental Policy Act (NEPA) process documents.												
Work on the EIS's is already underway. The State will be able to participate as a cooperating agency as soon as a budget request is approved.												
Successful and responsible exploration and development of these OCS resources will be critical to Alaska's long-term economic well being.												
Cooperating agency participants are: Department of Natural Resources, Department of Fish and Game, Department of Law, Department of Health and Social Services, and Department of Environmental Conservation.												
Component Totals		85.0	15.0	5.0	65.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description Department of Natural Resources

Scenario: FY2010 Supplemental (7955)
Component: Fire Suppression Activity (2706)
RDU: Statewide Fire Suppression Program (140)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Fire Suppression Activity												
	Suppl	35,371.4	10,134.3	647.8	21,524.5	3,064.8	0.0	0.0	0.0	0	0	0
1004 Gen Fund		35,371.4										
Wildland Fire Suppression AS 41.15.010 - 41.15.170												
Initial FY10 Fire Activity General Fund Appropriation - \$ 6,712.5												
FY10 Disaster Declarations (additional funds needed during the 2009 summer fire season) - \$35,371.4												
The funding included in the FY10 budget of \$6,712.5 for wildland fire suppression is a "placeholder" amount based on historical cost (SLA 2009, Ch 12, Sec 1, Pg. 34, Ln 7). Any additional general funds needed are then submitted to the Legislature for ratification.												
The amount proved to be insufficient to address the heavy fire activity during the summer of 2009. On July 22, 2009, the Governor signed a Declaration of a Disaster Emergency to authorize the use of additional funds to continue fire suppression operations and activities. New declarations are issued every 30 days. The total of the declarations is \$35,371,400.												
The wildland fire season kicked off during the last week of April and quickly progressed. A few of the notable fires during the first half of the fire season included the Mile 17 East End Road Fire outside of Homer (burning within several subdivisions); the Tonclonuka Creek Fire and the Broken Snowshoe Fire in the Southwest protection area; the Old Man Fire in the Upper Yukon protection area which occurred on state jurisdiction lands; and the Zitziana Fire in the Tanana protection area on state jurisdiction lands.												
In early July, thunderstorms with associated lighting crossed much of the state, including some lightning south of the Alaska Range and on the Kenai Peninsula. The Railbelt Complex consisted of three large fires primarily on state-responsibility land (Minto Flats South Fire, June Creek Fire, and the Lunch Lake Fire). Values at risk included allotments, remote recreational cabins, June Creek state subdivision, and the \$34 Million Doyon Arctic Wolf drilling rig and support camp. Also requiring considerable resources during the same time period were the Logging Slash Fire in Forestry's Fairbanks Area protection and the Upper Healy River Fire in the division's Delta Area protection.												
Lighting activity from dry thunderstorms was wide spread during July. Mosses and deep fuels were readily available to burn and fires persisted with critical and extreme dryness during the long and hot weeks of the summer. The 2009 fire season was remarkable for extreme fire behavior and protracted fires as firefighters, the State, and the Bureau of Land Management (BLM) provided protection for structures, allotments, resources, and values at risk.												
Other large fires, with costs that were mostly incurred in FY09, include the Mile 17 East End Road Fire, the Tonclonuka Fire, the Broken Snowshoe Fire, and the Old Man Fire. A ratification request of \$10,29,7678.22 will also be requested.												
The state has requested Federal Emergency Management Agency (FEMA) financial assistance for one incident, the Mile 17 East End Road Fire, that was determined to meet FEMA's criteria to "threaten such destruction as would constitute a major disaster." The Division of Forestry will continue to document and seek reimbursement for costs reimbursable by FEMA. Reimbursement may not be received until well into FY11.												
Component Totals		35,371.4	10,134.3	647.8	21,524.5	3,064.8	0.0	0.0	0.0	0	0	0